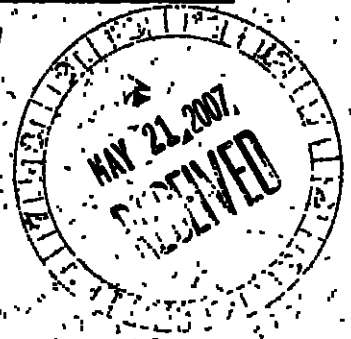


NEW HAMPSHIRE CENTRAL RAILROAD, INC.

P.O. Box 165, North Stratford, NH 03590-0165
(603) 922-3400 Fax: (603) 922-9058

219339



May 18, 2007

The Honorable Vernon Williams
Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re STB Finance Docket No 35022, New Hampshire Central Railroad, Inc -
Lease and Operation Exemption - Certain Lines of the State of New Hampshire
Department of Transportation

Dear Secretary Williams:

Attached for filing are the original and ten copies of New Hampshire Central Railroad's Comments on the Petition of the Twin State Railroad Corporation for Revocation of Notice of Exemption in connection with the above-captioned Docket. Also enclosed is a compact disc containing the Comments. Please time and date stamp the extra copy of the Comments and return it to my office at the following address:

Jack E. Dodd
Director of Marketing and Sales
New Hampshire Central Railroad, Inc
Post Office Box 28
Saint Albans, VT 05478-0028

If you have any questions, please contact me.

Sincerely yours,

Jack E. Dodd
Director of Marketing and Sales

Enclosures

cc - Edward W. Jeffrey, President, New Hampshire Central Railroad, Inc
Service List

ENTERED
Office of Proceedings
MAY 21 2007
Part of
Public Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35022

**NEW HAMPSHIRE CENTRAL RAILROAD, INC.
-LEASE AND OPERATION EXEMPTION-
CERTAIN LINES OF THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION**

**COMMENTS ON THE PETITION
OF THE TWIN STATE RAILROAD CORPORATION
FOR REVOCATION
OF NOTICE OF EXEMPTION**

219339

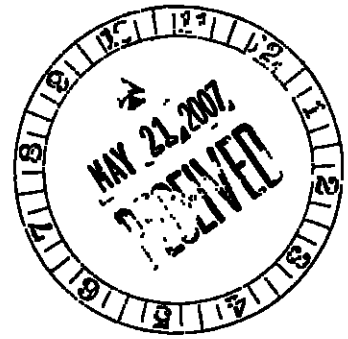
ENTERED
Office of Proceedings
MAY 21 2007
Part of
Public Record

**Jack E. Dodd
Director of Marketing and Sales
New Hampshire Central Railroad, Inc.
Post Office Box 28
Saint Albans, VT 05478-0028
(802) 524-2035**

Dated: May 18, 2007

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35022



**NEW HAMPSHIRE CENTRAL RAILROAD, INC.
-LEASE AND OPERATION EXEMPTION-
CERTAIN LINES OF THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION**

**COMMENTS ON THE PETITION
OF THE TWIN STATE RAILROAD CORPORATION
FOR REVOCATION
OF NOTICE OF EXEMPTION**

New Hampshire Central Railroad, Inc ("NHCR") hereby submits comments regarding the Petition of the Twin State Railroad Corporation for Revocation of Notice of Exemption ("Petition") filed with the Surface Transportation Board ("Board") by the Twin State Railroad Corporation ("TSRR") on May 8, 2007. NHCR respectfully requests that the Board reject the Petition of TSRR in that it raises issues that are not germane to NHCR's Notice of Exemption ("NOE") and thus should not be taken into account by the Board in this proceeding.

**COMMENTS REGARDING TSRR'S PETITION FOR REVOCATION OF
NHCR'S NOTICE OF EXEMPTION**

In its introduction, TSRR has requested the Board to reject the NOE on three grounds (1), that "the transaction has not been exempted by the [Board]", (2), that "there are material misstatements and misleading statements in the [NOE] and the exhibit thereto" and (3) that "there are material misstatements in prior filings with the Board with respect to the line at issue [noted in

the NOE, and noted herein, as the "Subject Line"]. Petition, p 1 NHCR will address each of these allegations, and others that TSRR makes in its Petition, to demonstrate that they are not relevant to the NOE

The Board, through its Director of Proceedings, served notice on May 15, 2007 that NHCR had filed its NOE and that the earliest it may be effective (the "Effective Date") will be June 1, 2007, 30 days after the NOE was filed. This decision does not, and cannot be construed as, the Board's decision that the transaction has not been exempted by the Board. Thus, TSRR's assertion (Ground (1)) that the Board has not exempted this transaction is erroneous.

TSRR also alleges that the NOE, "and the exhibit thereto", contain "material misstatements and misleading statements" and "is void ab initio". Petition, p 1 and p 6. In an attempt to substantiate its argument, TSRR cites four reasons it believes should result in the Board revoking the NOE. First, TSRR states that NHCR does not mention another carrier serving Subject Line. Second, TSRR states that there is no reference to TSRR in the NOE. On both of these accounts, NHCR believes that no references to other carriers or TSRR are required based on the information requirements set forth in 49 C.F.R. Part 1150, Subpart E. Third, TSRR states that there is no reference "to the fact that [NHDOT] understood that it acquired [Subject Line] subject to the rights of [TSRR]." NHCR was not a party to the acquisition of Subject Line by NHDOT and was not, and is not, in a position to opine on the terms, conditions or "understandings" associated therewith. Fourth, TSRR states that the NOE "mistakenly creates the impression that [NHDOT] has the right to designate a carrier to service [Subject Line]" NHCR has commented on which party has the right to name an operator.¹ Thus, TSRR's

¹ See Finance Docket No. 35022, *New Hampshire Central Railroad, Inc. - Comments on Vermont's Request for*

allegations as above noted (Ground (2)) should not be considered by the Board in this proceeding.

TSRR further alleges that “there are material misstatements in prior filings with the Board with respect to the line at issue (noted in the NOE, and noted herein, as the “Subject Line”)” As substantiation for this allegation, TSRR first refers to the acquisition by the State of New Hampshire Department of Transportation (“NHDOT”) of approximately 8.36 miles of railroad (between Whitefield, NH and Lunenburg (Gilman), VT, the “Subject Line”) from Maine Central Railroad Company (“MEC”) in 2003.² TSRR also references previous events and proceedings that preceded NHDOT’s acquisition of Subject Line, including the establishment of TSRR, and the Lease and Operating Agreement of March 1, 1984 (“Lease”), among others. TSRR also makes reference to the sequence of events immediately following NHDOT’s purchase of Subject Line and the various filings with and proceedings before the Board as a result of that transaction. As previously stated, NHCR was not a party to any of these filings and proceedings and further submits that NHDOT is the appropriate party that would respond to this allegation. NHCR therefore requests that the Board not consider this allegation (Ground (3)) in this proceeding.

TSRR concludes its Petition by suggesting that the allegations made by TSRR in Ground (1) “render [NHCR’s] Verified Notice of Exemption false and misleading” and that “[it] creates the false impression that there is no incumbent operator on [Subject Line], that the rights of any incumbent operator have been or will be voluntarily terminated and flatly inconsistent with [NHDOT’s] representation in Finance Docket 34307 that it would not seek a new operator except ‘subject to the operating rights of TSRR’” From NHCR’s perspective, NHCR has only

Revocation (May 15, 2007)

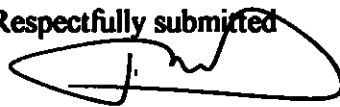
² As referenced by TSRR, the proceeding was Finance Docket No. 34307, *State of New Hampshire, Department of Transportation - Acquisition and Operation Exemption - Certain Assets of Maine Central Railroad Company*, filed December 23, 2002. The Board issued notice on January 23, 2003, that the transaction was to be consummated on or after December 30, 2002. It was actually consummated in early January 2003.

acted upon the authority granted to it by NHDOT in its authorization letter to NHCR NOE,
Exhibit A NHCR was never a party to any of the prior filings and proceedings to which TSRR
refers throughout its Petition and had no input that would affect their outcome NHCR is
prepared to commit the resources necessary to operate Subject Line and to provide consistent,
reliable rail freight service to customers on Subject Line

CONCLUSION

For all of the reasons as provided herein, NHCR respectfully requests that TSRR's
Petition not be considered by the Board and that the Board considers NHCR's NOE to be
complete and not revoked as TSRR has requested

Respectfully submitted

A handwritten signature in black ink, appearing to read 'J. Dodd', is written over a horizontal line.

Jack E. Dodd, Director of Marketing and Sales
New Hampshire Central Railroad, Inc
Post Office Box 28
Saint Albans, VT 05478-0028
(802) 524-2035

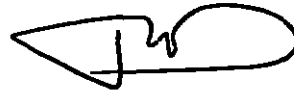
CERTIFICATE OF SERVICE

I hereby certify that I have this 18th day of May, 2007, served a copy of the foregoing on the following parties by first class mail, postage prepaid

Christopher Morgan, Administrator
Bureau of Rail & Transit
New Hampshire Department of Transportation
John O Morton Building
7 Hazen Drive, P O Box 483
Concord, NH 03302-0483

John K Dunleavy, Esq
Assistant Attorney General
Vermont Agency of Transportation
National Life Building
One National Life Drive
Montpelier, VT 05633-5001

Leonard M Singer, Esq
101 Arch Street, 9th Floor
Boston, MA 02110

A handwritten signature in black ink, appearing to read 'J. E. Dodd', is written over a horizontal line.

Jack E Dodd